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**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION**

**In re:**

**PG&E CORPORATION,**

**- and -**

**PACIFIC GAS AND ELECTRIC  
COMPANY,**

**Debtors.**

- ☐ Affects PG&E Corporation  
☐ Affects Pacific Gas and Electric  
Company  
☒ Affects both Debtors

*\* All papers shall be filed in the Lead  
Case, No. 19-30088 (DM).*

Case No. 19-30088 (DM)

Chapter 11

(Lead Case) (Jointly Administered)

**EX PARTE MOTION OF DEBTORS PURSUANT TO  
B.L.R. 9006-1 REQUESTING ORDER SHORTENING  
TIME FOR HEARING ON NOTEHOLDER RSA  
MOTION**

Related Document: Dkt. 5519

[No hearing requested]

PG&E Corporation and Pacific Gas and Electric Company, as debtors and debtors in possession (collectively, “**PG&E**” or the “**Debtors**”) in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”), hereby submit this Motion (the “**Motion to Shorten**”), pursuant to Rule 9006-1 of the Bankruptcy Local Rules for the United States District Court for the Northern District of California (the “**Bankruptcy Local Rules**”), for entry of an order shortening time for a hearing on Tuesday, February 4, 2020, at 10:00 a.m. (prevailing Pacific Time), on the *Debtors’ Motion Pursuant to 11 U.S.C. §§ 363(b) and 105(a) and Fed. R. Bankr. P. 6004 and 9019 for Entry of an Order (i) Approving and Authorizing the Debtors to Enter Into Restructuring Support Agreement With Consenting Noteholders and Shareholder Proponents, and (ii) Granting Related Relief* (the “**Noteholder RSA Motion**”), filed contemporaneously herewith. The Debtors request that any responses or objections to the Noteholder RSA Motion be in writing and filed with the Court and served by 4:00 p.m. (prevailing Pacific Time) on Friday, January 31, 2020.

In support of this Motion to Shorten, the Debtors submit the Declaration of Jessica Liou (the “**Liou Declaration**”), filed contemporaneously herewith. A proposed form of order granting the relief requested herein will be uploaded contemporaneously herewith.

## **MEMORANDUM OF POINTS AND AUTHORITIES**

### **I. JURISDICTION**

The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334, the *Order Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges*, General Order 24 (N.D. Cal.), and Bankruptcy Local Rule 5011-1(a). This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

### **II. BACKGROUND**

On January 29, 2019, the Debtors commenced with the Court voluntary cases under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in either of the Chapter 11 Cases. The Debtors’ Chapter 11 Cases are being jointly administered for procedural purposes only pursuant to

1  
2 Bankruptcy Rule 1015(b).

3 On February 12, 2019, the United States Trustee (the “**U.S. Trustee**”) appointed an  
4 Official Committee of Unsecured Creditors (the “**Creditors Committee**”). On February 15, 2019,  
5 the U.S. Trustee appointed an Official Committee of Tort Claimants (the “**TCC**”).

6 Additional information regarding the circumstances leading to the commencement of  
7 the Chapter 11 Cases and information regarding the Debtors’ businesses and capital structure is set  
8 forth in the *Amended Declaration of Jason P. Wells in Support of the First Day Motions and Related*  
9 *Relief* [Docket No. 263].

### 10 **III. RELIEF REQUESTED IN THE NOTEHOLDER RSA MOTION**

11 The Noteholder RSA Motion seeks entry of an order (i) approving and authorizing the  
12 Debtors to enter into and perform under, that certain Restructuring Support Agreement, dated as of  
13 January 22, 2020 (with the Term Sheet attached thereto as Exhibit A and the letter agreement dated  
14 January 22, 2020 executed in connection therewith, the “**Noteholder RSA**”), among the Debtors, the  
15 Consenting Noteholders,<sup>1</sup> and the Shareholder Proponents, and (ii) granting related relief.

16 The Debtors’ entry into the Noteholder RSA is a major achievement in these Chapter  
17 11 Cases. Pursuant to the Noteholder RSA, the Debtors and key members of the Ad Hoc Committee  
18 of Senior Unsecured Noteholders of the Utility (the “**Ad Hoc Noteholder Committee**”) have agreed  
19 to a settlement of all issues relating to the treatment of the Utility’s prepetition funded debt under the  
20 Debtors’ Amended Plan, as well as the significant litigation that has arisen over that treatment,  
21 including litigation over the competing plan process, payment of postpetition interest and make-whole  
22 premiums, certain challenges to the Debtors’ Exit Financing Motion, the Reconsideration Motion, and  
23 in proceedings before the CPUC. By resolving all these issues, the Noteholder RSA streamlines the  
24 Debtors’ path toward timely confirmation of the Debtors’ Amended Plan well within the June 30, 2020  
25 deadline established by AB 1054, expedites distributions to holders of Fire Victim Claims, and allows  
26 the Debtors to emerge as an even healthier and more financially sound utility, while reducing the

27  
28 <sup>1</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the  
Noteholder RSA Motion.

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2 Debtors' cost of long-term borrowing by over \$1 billion to the benefit of their customers and  
3 stakeholders.

4 **IV. SHORTENING TIME FOR HEARING ON THE NOTEHOLDER RSA MOTION IS**  
5 **WARRANTED**

6 Pursuant to Bankruptcy Local Rule 9014-1(b)(3)(A), a hearing on the Noteholder RSA  
7 Motion requires twenty-one (21) days' notice of an opportunity for a hearing. Bankruptcy Local Rule  
8 9006-1(a) provides that, except as set forth therein, "approval of the Court is required to enlarge or to  
9 shorten time to perform any act or file any paper pursuant to the Federal Rules of Civil Procedures,  
10 the Bankruptcy Rules, or these Bankruptcy Local Rules." B.L.R. 9006-1(a).

11 The parties to the Noteholder RSA recognize that time is of the essence in approving  
12 and effectuating the agreement to provide certainty as soon as possible to all parties in interest  
13 regarding the path forward in these Chapter 11 Cases and the related CPUC proceeding. Indeed, the  
14 Debtors are required under the Noteholder RSA to file the Noteholder RSA Motion no later than three  
15 (3) business days after the agreement became effective on January 22, 2020 and request an order  
16 shortening time to hold a hearing by no later than February 5, 2020. *See* Noteholder RSA § 3(a)(i).  
17 Importantly, the most critical dispute regarding the plan process is resolved if this Court enters an  
18 order approving the Noteholder RSA Motion. Specifically, the Noteholder RSA provides that the  
19 Consenting Noteholders shall "after the Agreement Effective Date, direct counsel for the Ad Hoc  
20 Committee to file a notice of withdrawal of the Alternative Plan *within one (1) business day of the*  
21 *entry of the RSA Approval Order.*" Noteholder RSA § 2(a)(i) (emphasis added).

22 The sooner this Court considers the Noteholder RSA Motion, the sooner all parties will  
23 have clarity as to how these cases will proceed, and hopefully, will all be working together toward  
24 confirmation and implementation of the Debtors' Amended Plan. In addition, prompt consideration  
25 of the Noteholder RSA Motion also will provide the parties with clarity as to pending litigation before  
26 the Court, whether it will proceed, and where the parties' resources should be devoted.

27 As discussed above, the exigencies of the cases warrant limited notice. In this regard,  
28 the Debtors note that they publicly disclosed their entry into the Noteholder RSA by press release on  
that same day and by 8-K filing the following morning on Thursday, January 23, 2020. The press

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2 release resulted in widespread publicity, including articles published by Bloomberg that Wednesday,  
3 the Wall Street Journal the next day, and other national publications.

4 Most recently, this Court granted an expedited hearing to consider the Tort Claimants  
5 RSA Motion for substantially the same reasons and under substantially the same circumstances. *See*  
6 Docket Nos. 5040, 5046. Expedited consideration of the Noteholder RSA Motion is likewise  
7 warranted.

8 Based on the foregoing, the Debtors request that notice be shortened to permit the  
9 Noteholder RSA Motion to be heard on Tuesday, February 4, 2020, at 10:00 a.m. (prevailing Pacific  
10 Time), and for written objections, if any, to be filed and served by 4:00 p.m. (prevailing Pacific Time)  
11 on Friday, January 31, 2020.

12 As stated in the Liou Declaration, the Debtors previewed the relief requested in this  
13 Motion to Shorten with the TCC, the Creditors Committee, and the U.S. Trustee. The TCC consents  
14 to the relief requested in this Motion to Shorten, and neither the U.S. Trustee nor the Creditors  
15 Committee objects to the relief requested. In view of the foregoing, the Debtors believe more than  
16 ample cause exists to grant the relief requested herein.

17 **V. NOTICE**

18 Notice of this Motion to Shorten will be provided to (i) the Office of the United States  
19 Trustee for Region 17 (Attn: Andrew R. Vara, Esq. and Timothy Laffredi, Esq.); (ii) counsel to the  
20 Creditors Committee; (iii) counsel to the TCC; (iv) the Securities and Exchange Commission; (v) the  
21 Internal Revenue Service; (vi) the Office of the California Attorney General; (vii) the California Public  
22 Utilities Commission; (viii) the Nuclear Regulatory Commission; (ix) the Federal Energy Regulatory  
23 Commission; (x) the Office of the United States Attorney for the Northern District of California; (xi)  
24 counsel for the agent under the Debtors' debtor in possession financing facility; (xii) Counsel for the  
25 Ad Hoc Noteholder Committee; (xiii) counsel for the Shareholder Proponents; and (xiv) those persons  
26 who have formally appeared in these Chapter 11 Cases and requested service pursuant to Bankruptcy  
27 Rule 2002. The Debtors respectfully submit that no further notice is required.

28 No previous request for the relief sought herein has been made by the Debtors to this  
or any other court.

1  
2 WHEREFORE the Debtors respectfully request entry of the Proposed Order granting  
3 the relief requested herein and such other and further relief as the Court may deem just and appropriate.  
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5 Dated: January 27, 2020

6 **WEIL, GOTSHAL & MANGES LLP**  
7 **CRAVATH SWAINE & MOORE LLP**  
8 **KELLER & BENVENUTTI LLP**

9  
10 /s/ Jessica Liou

Jessica Liou

11 *Attorneys for Debtors and Debtors in Possession*  
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